

Site Update Solutions LLC v. Newegg Inc.
Motion for Attorneys' Fees

Case No. 5:11-cv-03306-PSG

September 24, 2014

Honorable Paul S. Grewal

- An exceptional case is “simply one that **stands out from others** with respect to the **substantive strength** of a party’s **litigation position** (considering both the **governing law** and the facts of the case) or the unreasonable manner in which the case it litigated.”

Octane Fitness, LLC v. Icon Health & Fitness, Inc., 134 S. Ct. 1749, 1756 (2014)

- Other considerations including “frivolousness, motivation, objective reasonableness (both in the factual and legal components of the case) and the need in particular circumstances to advance considerations of compensation and deterrence.”

Octane, 134 S. Ct. at 1756, n. 6 (quoting *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 534 n.19 (1994))

- *Brooks Furniture* required:
 - (1) objectively baseless; and
 - (2) subjective bad faith
- Supreme Court found this test:
 - “unduly rigid”; and
 - “so demanding that it would appear to render § 285 largely superfluous”

Octane, 134 S. Ct. at 1755, 1758

Denial of Fees Under Old “Unduly Rigid” Standard

● Despite:

- (1) Site Update’s “highly problematic” and “likely... frivolous” Texas MPF constructions
- (2) Site Update’s “not entirely frivolous” California MPF constructions
- (3) Site Update’s failure to follow MPF law
- (4) Site Update’s assertion of single claim with indefinite concerns on four separate terms
- (5) Court’s recognition that accepting Site Update’s positions would “get [the Court] in trouble”
- (6) Site Update’s infringement theory of “website database” that was contrary to the intrinsic record
- (7) Site Update’s settlement pattern that “raised eyebrows”

Defects All on the Single Asserted MPF Claim

Case 5:11-cv-03305-PSG Document 1637 Filed 10/25/14 Page 6 of 52

“Highly problematic”
positions in Texas:
structure = CGI
Program/ script

Ignored “table of
files/search
engines” as
linked structure
that would get
Court in trouble

Court’s concern
that 4 elements
are indefinite

8. An apparatus for updating an internet search engine database with current content from a **web site**, comprising:
a **means for creating** and modifying a database of a web site wherein said **website database** contains content capable of being indexed by an internet search engine;
a **means for identifying**, using said web site database, new, deleted, **[unmodified]** or modified content;
a **means for transmitting** to said internet search engine a set of indices, wherein said set of indices comprises said new, deleted, unmodified or modified database content;
a means for opening, by a user, a form on a computer to enable or disable internet search engines to be updated with **information**;
a means for enabling or disabling, by said user, the appropriate internet search engines on said form;
a means for submitting, by said user, said information to a script;
a **means for parsing**, through the user of said script, said **information** from said form; and
a **means for updating**, through the use of said script, said database of search engine.

8 MPF
elements;
but failed to
follow MPF
law – no
linkage, no
algorithm

Theory that both
the website
database and
website is met by
Newegg’s website

RE40,683 claim 8

Troubling Loopholes Created by Denial of Fees

- Loophole #1: dismissal or changing positions can cure prior frivolous ones
- Loophole #2: frivolous positions can be excusable because patents or the law is complicated or 'misunderstood'
- *Octane's* deterrence consideration counsels against creating these loopholes

- “highly problematic”, “frivolous”, and “not entirely frivolous” MPF positions
- Site Update admits (on appeal) California positions “not materially different” from frivolous Texas ones
- Newegg exposed Site Update’s case at first opportunity – *Markman* (See *Eon-Net*)
- Dismissal cannot cure two-and-a-half years of litigating a single claim premised on frivolous or partially frivolous positions

Loophole #2: Failure to Follow Law Cannot Be Excused

- Site Update chose to assert a single MPF claim and had a duty to know and follow MPF law
- But Court found that Site Update misunderstood:

16

17

SUS misunderstood the Federal Circuit’s guidance both during claim construction and again here in its defense to this opposition. A structure can qualify as a stand-alone “special

Order at 22

- Under *Octane*, ‘misunderstanding’ exposes the absence of any “substantive strength” in its “litigation position” considering the “governing law”

Loophole #2: Failure to Follow Law Cannot Be Excused

- Site Update's only defense is that the law is complicated and the Federal Circuit's law is unclear:

22 way performs the claimed function.” Dkt No. 665, p. 22. With all due respect, SUS respectfully submits that
the Federal Circuit's guidance is not so clear. Without limitation, the *TecSec* and *Elekta* cases cited above

SUS Opp'n at 13

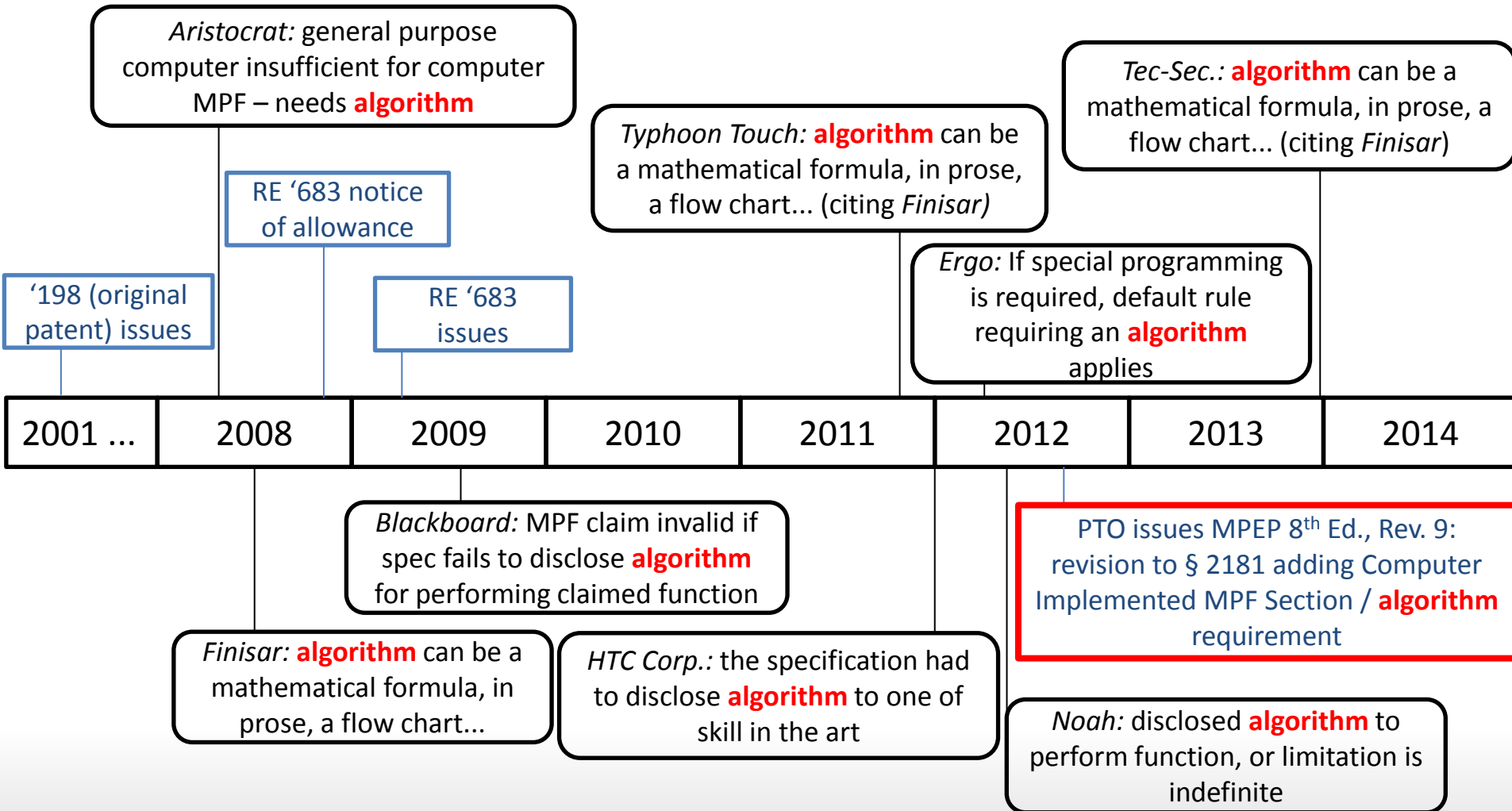
- The Federal Circuit believed the law is fairly clear:

10 CHIEF JUDGE PROST: Well, one could say that about,
11 unfortunately, pretty much anything in patent law, right?
12 MR. EDMONDS: Yeah, I know. But it's a complex legal
13 framework and also, underlying that, in the factual disputes as
14 well. Yet, there's --
15 THE COURT: Well, it's complex but I think our
16 precedent is fairly clear that if you're a means-plus-function
17 test and you're looking at the computer environment, a general
18 computer isn't enough. I mean, I know you said that it is, but
19 I don't see how that's a reasonable reading of our precedent.
20 I think that it says if you're looking to a general computer,
21 you have to specify an algorithm, too.

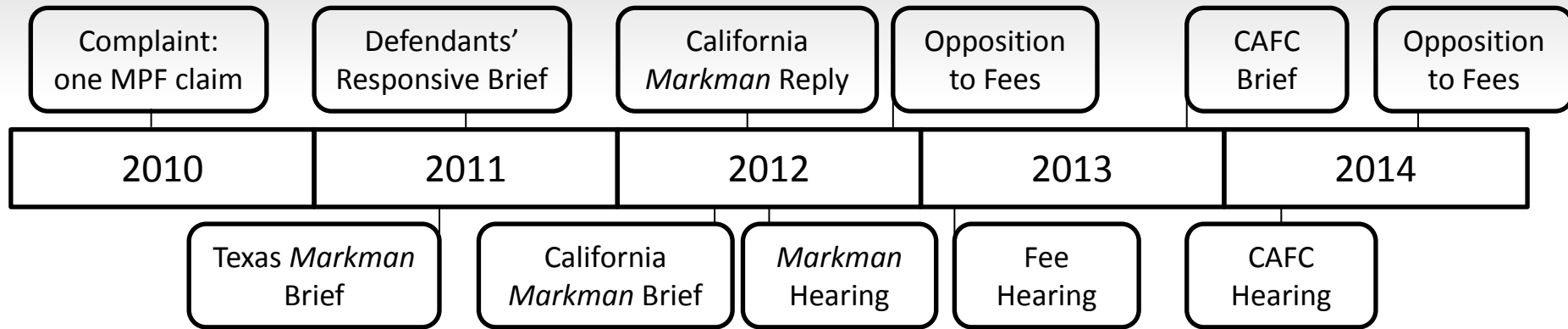
CAFC Transcript at
14:10-21

Loophole #2: Failure to Follow Law Cannot Be Excused

- Federal Circuit's MPF law is consistent and clear:



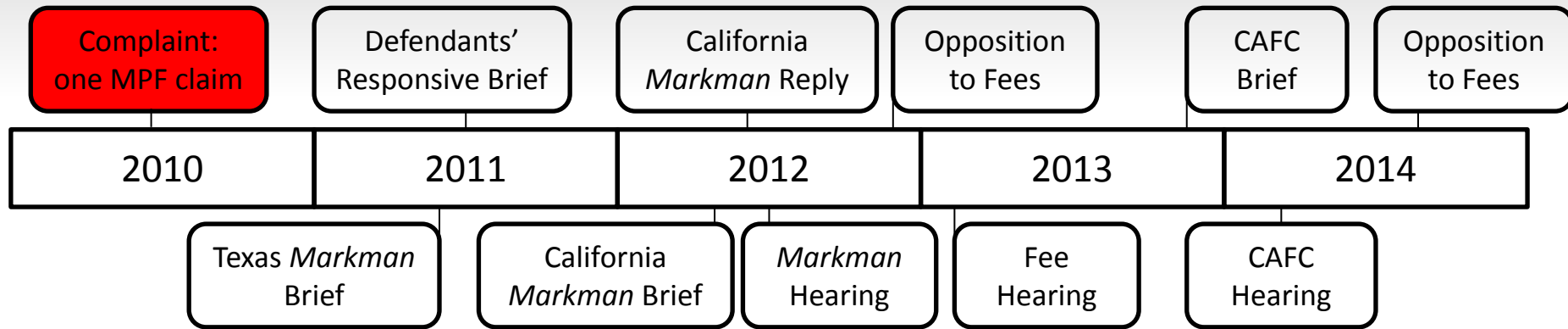
Loop-hole #2: Ever-changing MPF Positions



- Site Update continues through its Opposition to Fees before this Court to 'misunderstand' MPF law

Loop-hole #2: Ever-changing MPF Positions

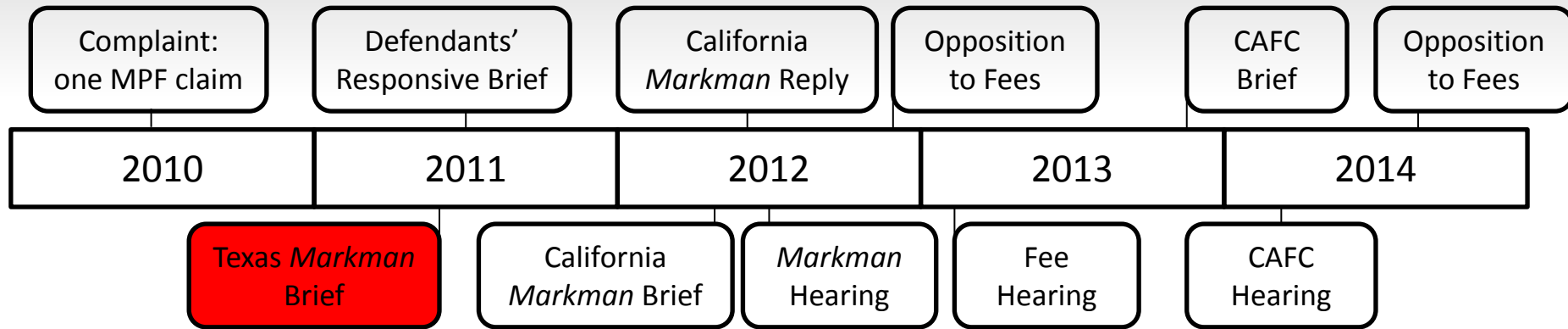
Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 13 Of 52



- Files Complaint asserting only one MPF claim
- Should have necessarily relied on understanding of how MPF claim would be construed for Rule 11 basis to file Complaint

Loophole #2: Ever-changing MPF Positions

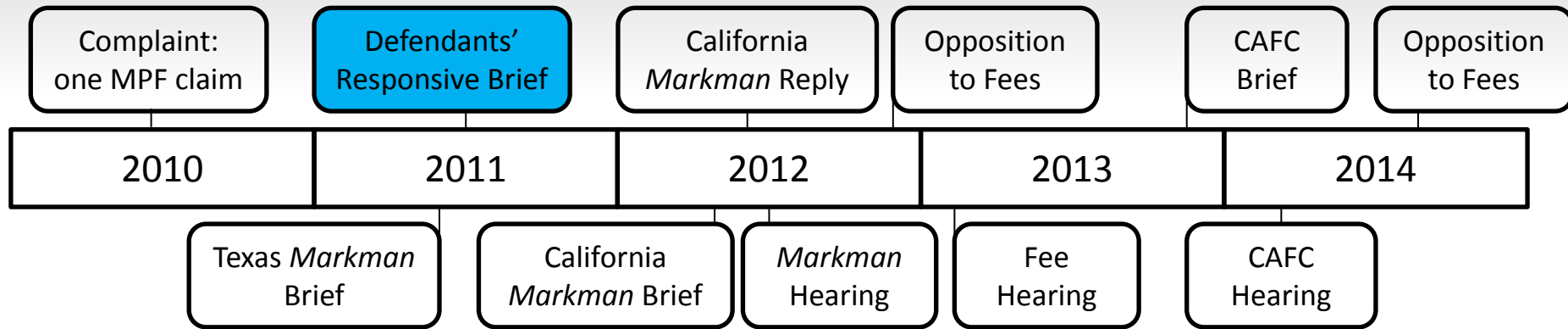
Case 5:11-cv-03306-PSS Document 87 Filed 09/25/14 Page 14 of 52



- Cites *Aristocrat* and *Finisar* for algorithm/ linkage requirement
- Yet **no linkage or algorithms** – just “CGI program/script” as structure for 6 of 8 MPF elements

Loop-hole #2: Ever-changing MPF Positions

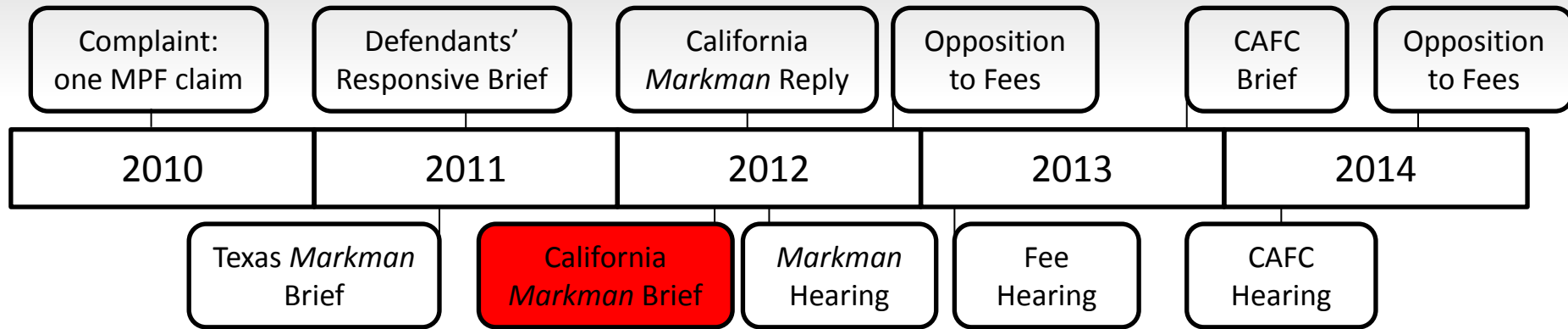
Cases 1:17-cv-00306-PSS Document 87 Filed 09/25/14 Page 15 of 52



- Defendants repeatedly point out failure to follow MPF law – **no structure or algorithm linked** to performing claimed function

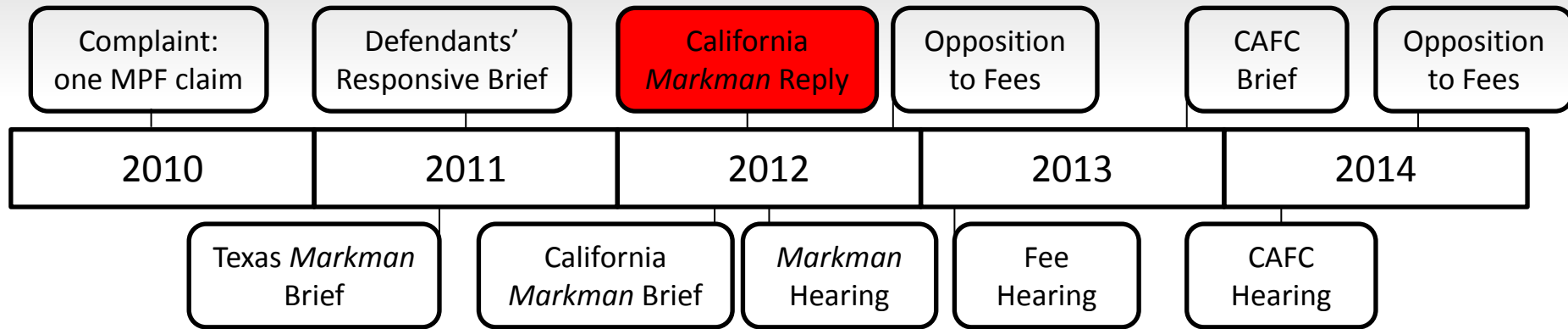
Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 16 of 52



- Still cites *Aristocrat* and *Finisar* for algorithm/ linkage requirement
- Adds generic computer structures (database, form, web server) to constructions
- Still **no linkage or algorithms**

Loop-hole #2: Ever-changing MPF Positions



- Introduces “special purpose computer” argument for the first time
 - Sole support is mischaracterization of N.D. Ill. case: *Goss Intern. Am., Inc. v. Graphic Mgmt. Assoc., Inc.*, 739 F. Supp. 2d 1089, 1100 (N.D. Ill. 2010).
- Still **no linkage or algorithms**
 - Instead, disingenuous argument that, for the algorithm requirement to apply, Defendants have the burden to prove that a general purpose computer is insufficient

Loophole #2: Ever-changing MPF Positions

Case 1:19-cv-03306-PSS Document 87 Filed 09/25/14 Page 18 of 52

Although Defendants urge that several Patent structures are “general purpose computers,” Defendants fail to discuss what is a general purpose computer. General purpose computers are computers like “processors.” *HTC Corp. v. IPCom GmbH & Co., KG*, 667 F.3d 1270, 1280 (Fed. Cir. 2012). The kind of general, non-special, purposes general computers

achieve are:

- processing (*Ergo Licensing*, 673 F.3d at 1365);
- receiving data (*Id.*);
- storing data (*Id.*);
- retrieving data (*Pavilion Techs.*, 2006 WL 6210180, at *5;
- simple arithmetical operations (*Id.* at *9); and
- functions performable by a general purpose computer using only off-the-shelf software (*Id.* at *9).

On the other hand, a special purpose computer can be as simple as a controller (*Goss Int’l Americas, Inc. v. Graphic Mgmt. Assocs., Inc.*, 739 F. Supp. 2d 1089, 1100 (N.D. Ill. 2010). Examples of non-general, special purposes include:

- controlling adjusting means (*Ergo Licensing*, 673 F.3d at 1365);
- “entering,” “deleting,” “reviewing,” and “adjusting” financial transaction data (*Noah Sys. Inc. v. Intuit Inc.*, 675 F.3d 1302, 1315 (Fed. Cir. 2012);
- assigning numbers to stopping positions (*Pavilion Techs.*, 2006 WL 6210180, at *8;
- time domain processing (*Id.*); and
- assigning a plurality of numbers representing the angular positions of each slot reel in a slot machine (*Katz Interactive Call Processing Patent Litig. v. Am. Airlines, Inc.*, 639 F.3d 1303, 1314 (Fed. Cir. 2011).

Examples of the "rare circumstance" that a general purpose computer does not need special purpose programming because none is needed to perform the function. *In re Katz*, 639 F.3d at 1316.

The entirety of Site Update’s flawed legal support

Examples where the Federal Circuit / a district court required an algorithm linked to performing the claimed function

SUS Markman
Reply at 3

Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 19 of 52

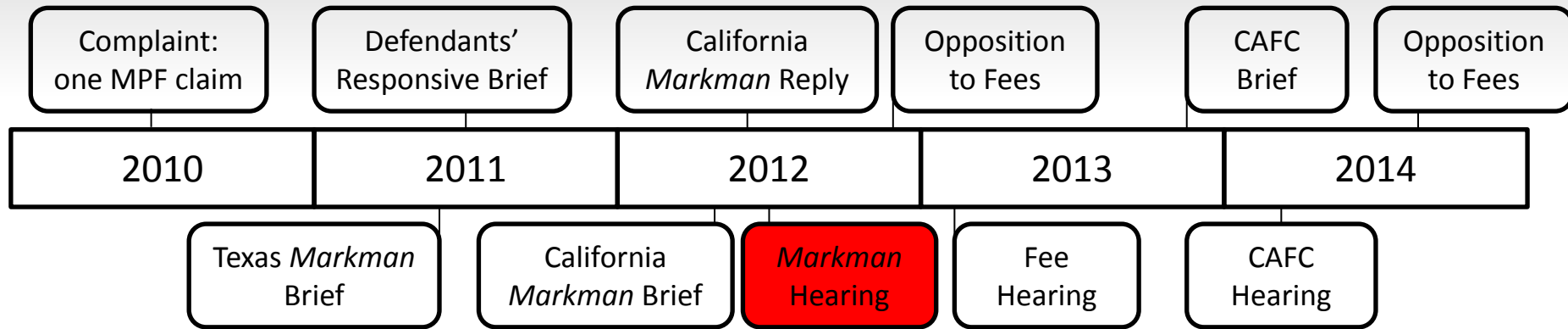
- Site Update's disingenuous justification for **no linkage or algorithms**:

14 Further, for the algorithm requirement to apply, Defendants must present at least
15 substantial evidence that a general purpose computer cannot perform the relevant means-plus-
16 function functions (*In Re Katz Interactive Call Processing Patent Litigation*, No. MDL 2:07-
17 ML-1816-B-RGK at 3 (C.D. Cal., May 24, 2012) (attached as Exhibit 1)), but, because the
18 issue relates to invalidity, it more likely requires proof by clear and convincing evidence.

SUS California
Markman Reply at 4

- Repeated this remarkable argument in its Opposition to Fees and Appellee Brief (but not in its latest Opposition)

Loop-hole #2: Ever-changing MPF Positions



- Court rejects Site Update's misrepresentation of *Goss*
- Requires disclosed **algorithm linked** to performing the claimed functions

Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 21 of 52

More Like?

combination of a web server, Common Gateway Interface (CGI) program,
website database and form

General-purpose computers:

- *processing*
- *receiving data*
- *storing data*
- *retrieving data*
- *simple arithmetical operations*
- *functions performable by a general purpose computer using only off-the-shelf software*

Special-purpose computers:

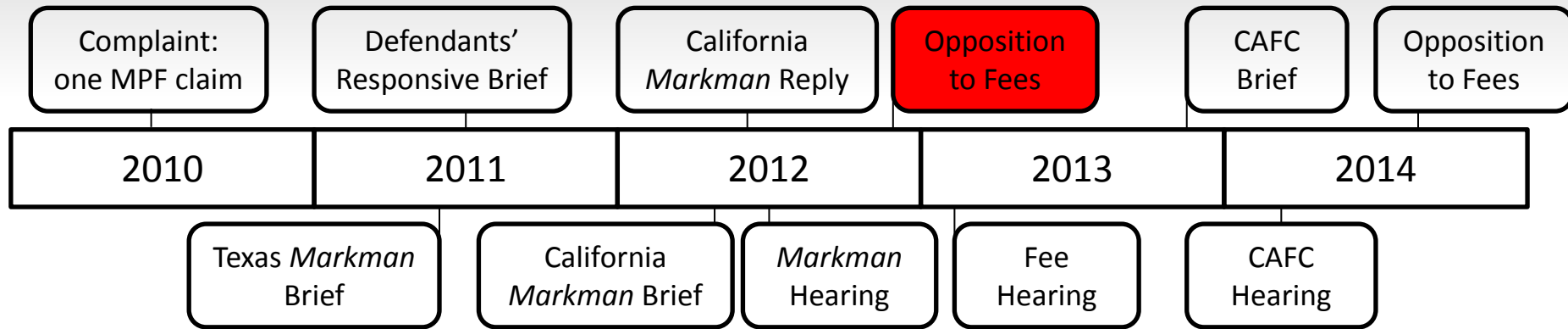
- controlling adjusting means
- “entering,” “deleting,” “reviewing,” and “adjusting” financial transaction data
- assigning numbers to stopping positions
- time domain processing
- assigning a plurality of numbers representing the angular positions of each slot reel in a slot machine

Ergo Licensing, 673 F.3d at 1365; *Noah Sys.*, 675 F.3d at 1315; *Pavilion Techs.*, 2006 WL 6210180, at *8; *Katz Interactive Call Processing Patent Litig.*, 639 F.3d at 1314

Ergo Licensing, 673 F.3d at 1365; *Noah Sys. Inc. v. Intuit Inc.*, 675 F.3d 1302, 1315 (Fed. Cir. 2012); *Pavilion Techs.*, 2006 WL 6210180, at *8; *Katz Interactive Call Processing Patent Litig. v. Am. Airlines, Inc.*, 639 F.3d 1303, 1314 (Fed. Cir. 2011)



Loophole #2: Ever-changing MPF Positions



- Confuses or changes position of when a linked algorithm is required
- Pleads that MPF law is complicated
- Still **no linkage or algorithms**
 - Again, disingenuous argument that, for the algorithm requirement to apply, Defendants have the burden to prove that a general purpose computer is insufficient

Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 23 Of 52

discussed *supra* at page 2. As borne out in the *Markman* briefing and hearing, one fundamental difference that the Court resolve was whether the combination of a web server,¹ CGI interface script and website database was a general purpose computer or special purpose computer. If it was the latter, then the construction of the disputed “means for” terms would be limited to algorithms disclosed in the specification (or indefinite absent disclosure of such algorithms). See generally *Aristocrat Techs. v. Int’l Game Tech.*, 521 F.3d 1328 (Fed. Cir. 2008), and its progeny. If it was the former, such a limitation would be improper. See, e.g., *Ergo Licensing v. CareFusion* 303 F.3d 1361, 1364, 1365 (Fed. Cir. 2012); *Pavilion Techs., v. Emerson Elec.*, 2006 WL 6210180, *8, *9 (W.D. Tex. Sept. 5, 2006); see also *Froessl v. Hewlett-Packard*, No. C-01-20924, 2002 WL 34455177, at *3–*5 (N.D. Cal. 2002).² These complicated issues involving M-P-Fs claims received well reasoned and substantial briefing and argument. See, e.g., SUS’s

Clear MPF law that Defendants and the Court understood

SUS Opp’n to Original Motion for Fees at 7-8

Loophole #2: Ever-changing MPF Positions

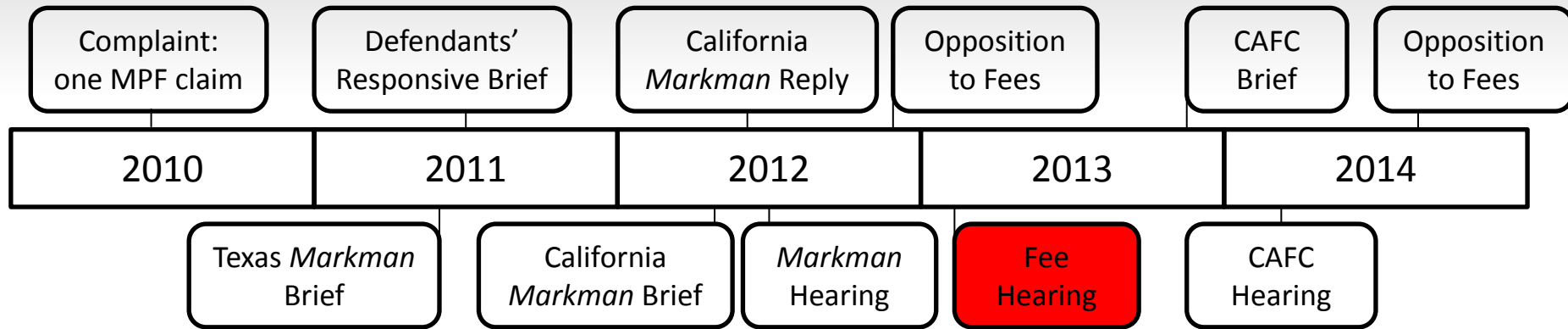
Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 24 of 52

- Site Update's disingenuous justification for **no linkage or algorithms**:

18 For the algorithm requirement even to apply, the defendants had to present at least
19 substantial evidence that a general purpose computer cannot perform the relevant means-plus
20 function functions. *In Re Katz*, No. MDL 2:07-ML-1816-B-RGK at 3 (C.D. Cal., May 24, 2012).
21

SUS Opp'n to
Original Motion for
Fees at 8

Loop-hole #2: Ever-changing MPF Positions



- Site Update fails to explain or rebut argument that it continues to change its MPF positions
- Still **no linkage or algorithms**
- Court's Order recognizes Site Update's arguments as a continued 'misunderstanding':

16

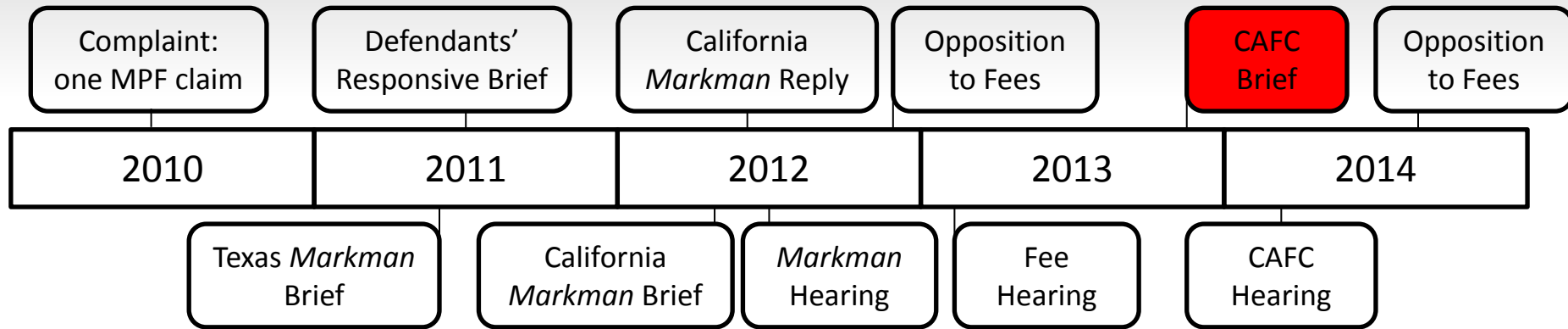
17

SUS misunderstood the Federal Circuit's guidance both during claim construction and again here in its defense to this opposition. A structure can qualify as a stand-alone "special

Order at 22

Loophole #2: Ever-changing MPF Positions

Case 5:11-cv-00306-PSS Document 87 Filed 09/25/14 Page 26 of 52



- Reverts back to special purpose computer argument based on misrepresentation of *Goss*
- Still **no linkage or algorithm**
 - Again, disingenuous argument that, for the algorithm requirement to apply, Defendants have the burden to prove that a general purpose computer is insufficient

Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 27 of 52

General purpose computers are like “processors.” *HTC Corp. v. IPCom GmbH & Co.*, 667 F.3d 1270, 1280 (Fed. Cir. 2012). The kind of general, non-special purposes that general computers achieve are:

- processing (*Ergo Licensing*, 673 F.3d at 1365);
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- and assigning a plurality of numbers representing the angular positions of each slot reel in a slot machine (*Katz Interactive Call Processing Patent Litig. v. Am. Airlines, Inc.*, 639 F.3d 1303, 1314 (Fed. Cir. 2011)).

Examples of the "rare circumstance" that a general purpose computer does not need special purpose programming because none is needed to perform the function. *In re Katz*, 639 F.3d at 1316.

The entirety of Site Update’s flawed legal support

Examples where the Federal Circuit / a district court required an algorithm linked to performing the claimed function

SUS Appellee Brief at 22-23

Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 28 Of 52

- Site Update's disingenuous justification for **no linkage or algorithms**:

Further, for the algorithm requirement to apply, Newegg had to present at least

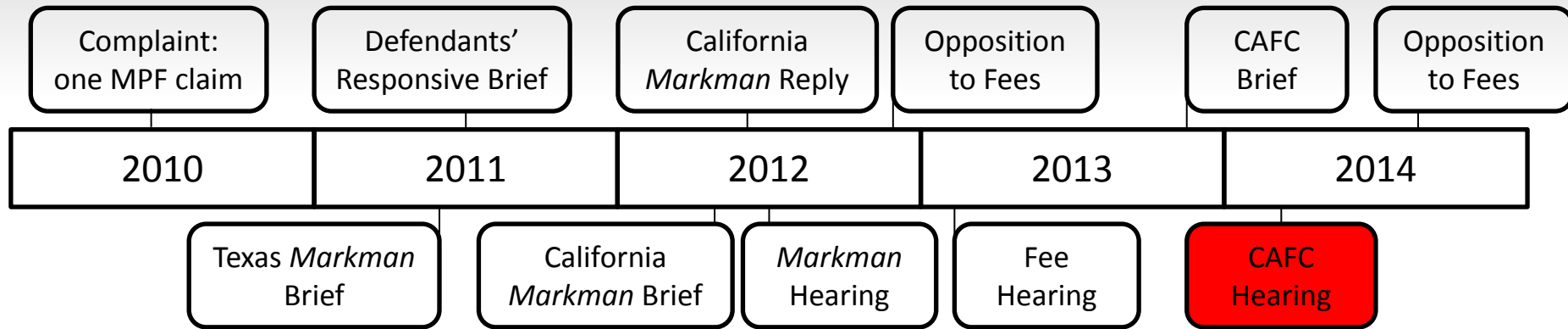
substantial evidence that a general purpose computer cannot perform the relevant

means-plus-function functions. *In Re Katz Interactive Call Processing Patent*

Litigation, No. MDL 2:07-ML-1816-B-RGK at 3 (C.D. Cal., May 24, 2012). Yet

SUS Appellee Brief at 25

Loophole #2: Ever-changing MPF Positions



- Continues to confuse its MPF positions and justifications
- Reverts to general purpose computer with no algorithm argument
- Still **no linkage or algorithms**

Loophole #2: Ever-changing MPF Positions

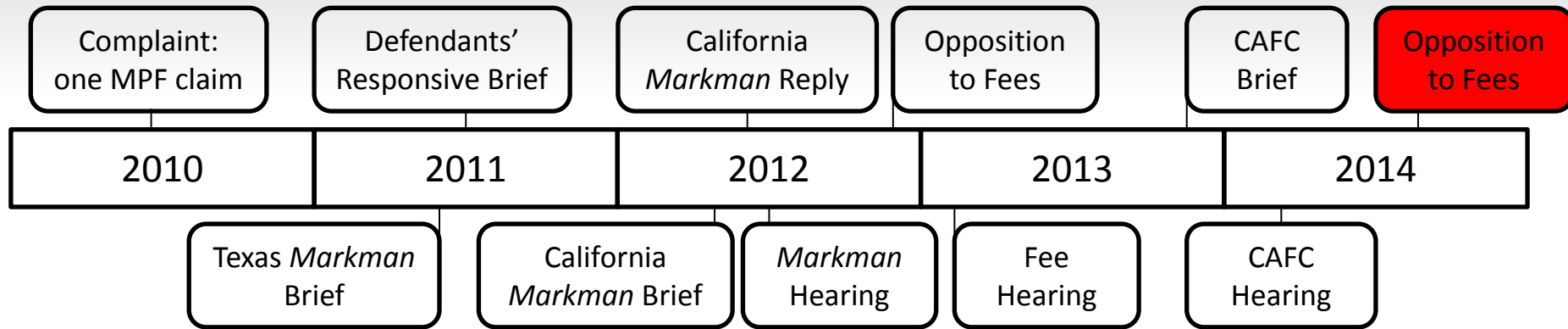
THE COURT: What's your position?

MR. EDMONDS: Well, my position is that the plaintiffs believe that it was a general purpose computer for which no additional algorithm was necessary was a reasonable position to take.

CHIEF JUDGE PROST: Based on what? I mean, the district court cited a dissent by Judge Newman and may be a district court case, I'm not sure. Is that the legal basis for you to think that there was some basis for you to assert that this was sufficient structure under our case law?

CAFC Transcript at 13:5-14

Loophole #2: Ever-changing MPF Positions



- Abandons reliance on *Goss*
- New argument demonstrates the absence of substantive strength in Site Update's positions through dismissal:
 - web server (general computer) becomes a special purpose computer with "described and disclosed software" from other generic structures (*e.g.*, database, form, CGI, and/or other structures) and does not require an algorithm
- Still **no linkage or algorithm**

Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 32 Of 52

provided enough structure that no algorithm was necessary. If these elements combined to form a “special purpose computer,” then the construction of the disputed “means for” terms would not be limited to algorithms disclosed in the specification (or indefinite, absent disclosure of such algorithms). ~~See, e.g., Aristocrat Techs. v. Int’l Game Tech., 521 F.3d 1328 (Fed. Cir. 2008).~~ Likewise, even if the web server is deemed merely to constitute a general computer, if the described and disclosed software of the CGI script, agent, form (including robots.txt file), and/or website database provide sufficient software disclosure to convert a web server into a special purpose computer for purposes of the “means for” limitations, then no algorithm is necessary either. *See, e.g., TecSec, Inc. v. International Business Machines Corp.*, 731 F.3d 1336 (Fed. Cir. 2013) (“The

Old Goss
“special
purpose
computer”
argument

New
argument

SUS Opp’n. at 12

Loophole #2: Ever-changing MPF Positions

Cases 1:17-cv-03306-PSS Document 87 Filed 09/25/14 Page 33 Of 52

● Different arguments than opp'n to Original Fee Motion:

22 | discussed *supra* at page 2. As borne out in the *Markman* briefing and hearing, one fundamental
23 | difference that the Court resolve was whether the combination of a web server,¹ CGI interface
24 | script and website database was a general purpose computer or special purpose computer. If it
25 | was the latter, then the construction of the disputed “means for” terms would be limited to
26 | algorithms disclosed in the specification (or indefinite absent disclosure of such algorithms). See
1 | generally *Aristocrat Techs. v. Int’l Game Tech.*, 521 F.3d 1328 (Fed. Cir. 2008), and its progeny.

SUS Opp’n. To
Original Fee
Motion, at 12-13
(Dec. 17, 2012)
(see slide 23)

Clear MPF law that Defendants and the Court
understood

20 | provided enough structure that no algorithm was necessary. If these elements combined to form a “special
21 | purpose computer,” then the construction of the disputed “means for” terms would not be limited to algorithms
22 | disclosed in the specification (or indefinite, absent disclosure of such algorithms). See, e.g., ~~*Aristocrat Techs.*~~
23 | ~~*v. Int’l Game Tech.*~~, 521 F.3d 1328 (Fed. Cir. 2008). Likewise, even if the web server is deemed merely to

Old Goss
“special
purpose
computer”
argument

SUS Opp’n. At 12-
13 (Aug. 20, 2014)

- Dr. Lavian relied on ‘misunderstood’ legal standards in forming his opinions:

18 **IV. UNDERSTANDING OF THE LAW**
19 **A. Claim Construction**
20 12. I am not a legal expert and I offer no opinions on the law. The following
21 paragraphs under this section set forth my understanding of legal standard that I have relied
22 upon in forming my opinions. Mr. Goldstein and Ms. Lipski explained to me the law and
23 provided me the legal definitions as follows in this declaration.

Lavian Declaration, ¶ 12

Expert Declaration Further Makes this Case “Stand Out”

Case 5:11-cv-03308-PSC Document 68-7 Filed 09/25/14 Page 25 of 32

- Fails to explain how any structures are **linked to performing the claimed functions**
- At best, he offers conclusory statements without any actual support for his positions:

23 81. For the reasons described below, I disagree and believe that one of ordinary skill
24 in the art would understand that the combination of a web server and a CGI script is clearly
25 linked to that function.

Lavian Declaration, ¶ 81

Defects All on the Single Asserted MPF Claim

Case 5:11-cv-03316-PSG Document 137 Filed 09/25/14 Page 36 of 52

**“Highly problematic”
positions in Texas:
structure = CGI
Program/ script**

Ignored “table of
files/search
engines” as
linked structure
that would get
Court in trouble

**Court’s concern
that 4 elements
are indefinite**

8. An apparatus for updating an internet search engine database with current content from a **web site**, comprising:
a **means for creating** and modifying a database of a web site wherein said **website database** contains content capable of being indexed by an internet search engine;
a **means for identifying**, using said web site database, new, deleted, **[unmodified]** or modified content;
a **means for transmitting** to said internet search engine a set of indices, wherein said set of indices comprises said new, deleted, unmodified or modified database content;
a means for opening, by a user, a form on a computer to enable or disable internet search engines to be updated with **information**;
a means for enabling or disabling, by said user, the appropriate internet search engines on said form;
a means for submitting, by said user, said information to a script;
a **means for parsing**, through the user of said script, said **information** from said form; and
a **means for updating**, through the use of said script, said database of search engine.

**8 MPF
elements;
but failed to
follow MPF
law – no
linkage, no
algorithm**

Theory that both
the website
database and
website is met by
Newegg’s website

RE40,683 claim 8

Defects All on the Single Asserted MPF Claim

Case 5:11-cv-03316-PSG Document 137 Filed 09/25/14 Page 37 of 52

“Highly problematic”
positions in Texas:
structure = CGI
Program/ script

Ignored “table
of files/search
engines” as
linked structure
that would get
Court in trouble

Court’s concern
that 4 elements
are indefinite

8. An apparatus for updating an internet search engine database with current content from a **web site**, comprising:
a **means for creating** and modifying a database of a web site wherein said **website database** contains content capable of being indexed by an internet search engine;
a **means for identifying**, using said web site database, new, deleted, **[unmodified]** or modified content;
a **means for transmitting** to said internet search engine a set of indices, wherein said set of indices comprises said new, deleted, unmodified or modified database content;
a means for opening, by a user, a form on a computer to enable or disable internet search engines to be updated with **information**;
a means for enabling or disabling, by said user, the appropriate internet search engines on said form;
a means for submitting, by said user, said information to a script;
a **means for parsing**, through the user of said script, said **information** from said form; and
a **means for updating**, through the use of said script, said database of search engine.

8 MPF
elements;
but failed to
follow MPF
law – no
linkage, no
algorithm

Theory that both
the website
database and
website is met by
Newegg’s website

RE40,683 claim 8

- Another example of the absence of substantive strength in Site Update's litigation position
- Court recognized importance at *Markman*:

The Court: I'm just asking, whether I do it here or whether I do it somewhere else in the claim, it would seem to me that column 7 is specifically linking the table of files, table of search engines database to the one or more structures performed in one or more of these functions and I better include it somewhere or else I'm going to get in trouble. Isn't that fair?

Markman Tr. 75:4-9.

- Site Update urged the Court to disregard the specific database tables as linked structure:

The Court: Well, perhaps you're right that the creation and modification is agnostic as to whether there's a Table of Files or a Table of Search Engines in the database. But this would certainly suggest that somewhere in this construction, I have to explain that the way that this invention works is that there is a Table of Files and a Table of Search Engines. Right?

Ms. Lipski: Well, I believe there has to be a website database. I don't think there has to be a Table of Files and a Table of Search Engines.

The Court: But isn't the – isn't the inventor teaching this very specific structure, and how can I ignore what is clearly linked?

Ms. Lipski: The inventor is giving a specific preferred embodiment, and they go so far as to –

The Court: Yeah, but this is a 112(6) claim, right? So –

Ms. Lipski: I understand that, your honor.

Id. at 74:7-25.

- Advanced unsupported “specific preferred embodiment” argument

- Illogical for Site Update to argue that “website database” is linked structure, but the specific database disclosed in the patent was not
 - *Mettler-Toledo, Inc. v. B-Tek Scales, LLC*, 667 F.3d 1291, 1295-96 (Fed. Cir. 2012) (rejecting an argument that a generic A/D converter was linked structure when the specification linked the specific multiple slope integrating A/D converter to performing the function)

- Court rejects Site Update's argument that "website database" is sufficient:

Ms. Lipski: Well, I think that the claim language that was used by the patentee is "website database," so I think that's kind of where the issue you're concerned about comes in. What is claimed is a website database not necessarily using this Table of Files and Table of Search Engines specifically, and "website database" is, of course, not a means-plus-function term.

Court: No. But what's claimed as a means-plus-function term, it just seems to me that the inventor is specifically saying to the ordinarily skilled artisan, "this is what structure performs one of these functions," and I'll grant you, it may not be this particular function, it might be somewhere else, but since you brought this up, *I'm just at a loss as to how I can ignore that specific teaching that this is linked to that.*

Id. at 75:11-25 (emphasis added).

- Court rejects Site Update's argument that "website database" is sufficient:

Ms. Lipski: Well, I think that the claim language that was used by the patentee is "website database," so I think that's kind of where the issue you're concerned about comes in. What is claimed is a website database not necessarily using this Table of Files and Table of Search Engines specifically, and "website database" is, of course, not a means-plus-function term.

Court: No. But what's claimed as a means-plus-function term, it just seems to me that the inventor is specifically saying to the ordinarily skilled artisan, "this is what structure performs one of these functions," and I'll grant you, it may not be this particular function, it might be somewhere else, but since you brought this up, *I'm just at a loss as to how I can ignore that specific teaching that this is linked to that.*

Id. at 75:11-25 (emphasis added).

Defects All on the Single Asserted MPF Claim

Case 5:11-cv-03316-PSG Document 137 Filed 09/25/14 Page 43 of 52

“Highly problematic”
positions in Texas:
structure = CGI
Program/ script

Ignored “table of
files/search
engines” as
linked structure
that would get
Court in trouble

Court’s concern
that 4 elements
are indefinite

8. An apparatus for updating an internet search engine database with current content from a **web site**, comprising:
a **means for creating** and modifying a database of a web site wherein said **website database** contains content capable of being indexed by an internet search engine;
a **means for identifying**, using said web site database, new, deleted, **[unmodified]** or modified content;
a **means for transmitting** to said internet search engine a set of indices, wherein said set of indices comprises said new, deleted, unmodified or modified database content;
a means for opening, by a user, a form on a computer to enable or disable internet search engines to be updated with **information**;
a means for enabling or disabling, by said user, the appropriate internet search engines on said form;
a means for submitting, by said user, said information to a script;
a **means for parsing**, through the user of said script, said **information** from said form; and
a **means for updating**, through the use of said script, said database of search engine.

8 MPF
elements;
but failed to
follow MPF
law – no
linkage, no
algorithm

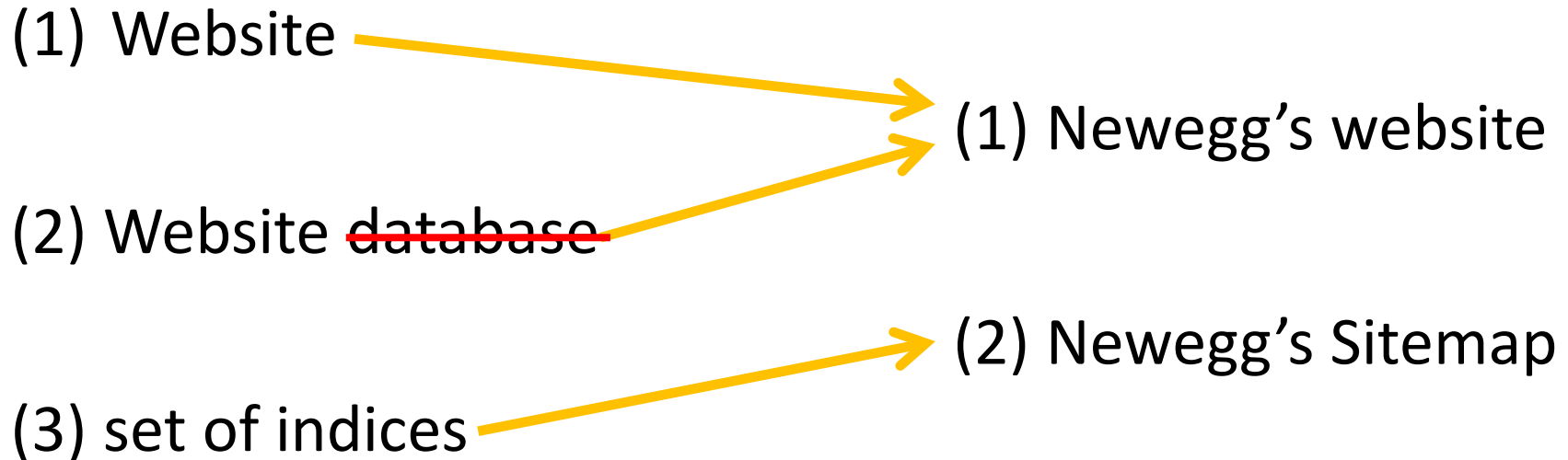
**Theory that both
the website
database and
website is met by
Newegg’s website**

RE40,683 claim 8

- Site Update's infringement theory:

- Claim Required:

Infringement Read:



● The record confirms Site Update’s infringement theory:

A means for creating and modifying a database of a web site wherein said website database contains content capable of being indexed by an internet search engine;	The database is the collection of content on the website, including but not limited to all html files. Web crawlers usually discover pages from links within the site and from other sites. Sitemaps supplement this data to allow crawlers that support Sitemaps to pick up all URLs in the Sitemap and learn about those URLs using the associated metadata. From: http://www.sitemaps.org/index.php
---	--

SUS Infringement
Contentions at 2

Plaintiff’s construction is so vague as to encompass the website itself, rather than a separate record of the resources of the website. But, if the database were simply the collection of resources themselves, then there would be no record of the previous state of the website, and thus no way to determine what content was new, deleted, or modified as the claim requires.

Defendants’ TX *Markman* Brief at 30 (also CA Brief at 38)

11 Defendants’ cites do not support Defendants’ construction. A website can be or include a
12 database; a website can be a collection of information; Defendants appear to concede that fact.

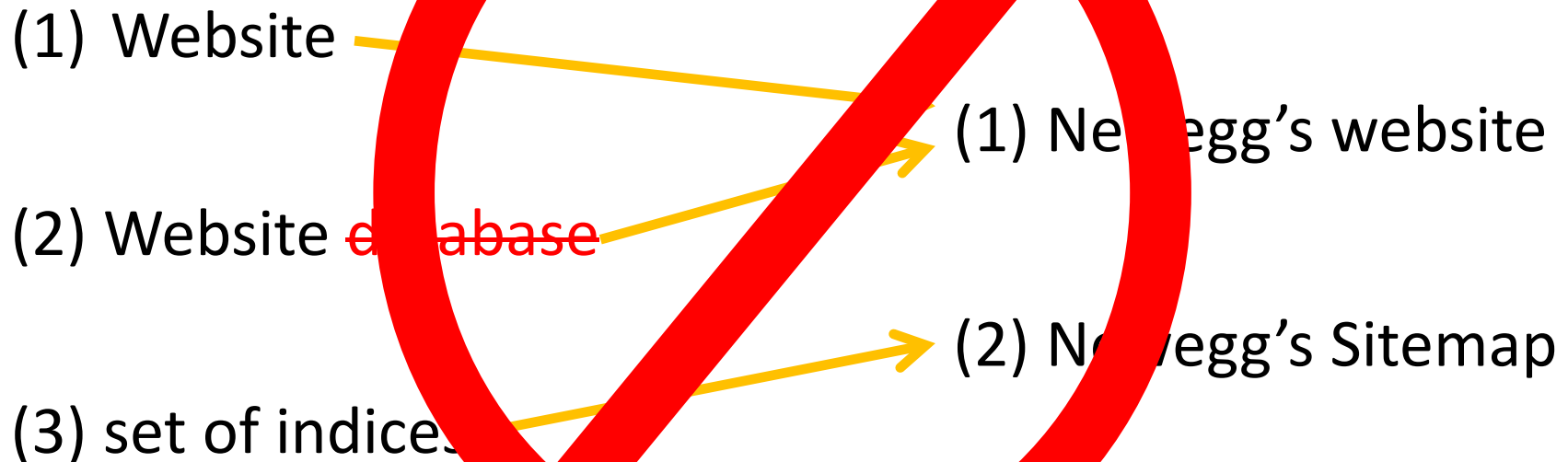
SUS CA *Markman* Reply at 8

- Critical claim construction issue: whether the “website database” needed to be distinguished from the website or content itself

1 specifications in the RE’683 Patent.⁵⁵ The language of the claim in which “website database”
2 appears requires that any construction of the term include a distinction between the website and the
3 resulting database. The claim states “a means for creating and modifying a database of a web site
4 wherein said website database,” which, in conjunction with the language of the Summary of
5 Invention, supports that the “website database” is separate from the underlying resources on the
6 website itself.⁵⁶ The inventor likewise noted during reexamination that “the process in the . . .
7 invention checks a database representing a historical version of a web site against the current
8 version of the Web site to detect changes.”⁵⁷
9

Order at 15

- Site Update's infringement theory:
- Claim Required: Infringement Read:



Baseless Infringement Theory: “Website Database”

Case5:11-cv-00675-Document 87 Filed 09/25/14 Page 48 of 52

- At *Markman*, Site Update finally conceded that the website database and website needed to be distinct
- Court noted agreement, in Order:
 - preclude the website itself from hosting the database.⁵⁹ SUS, however, agreed at the hearing that
 - the “website database” had to be distinct from just the content of the website.⁶⁰
- But Site Update then reneged (which the Court did not note):

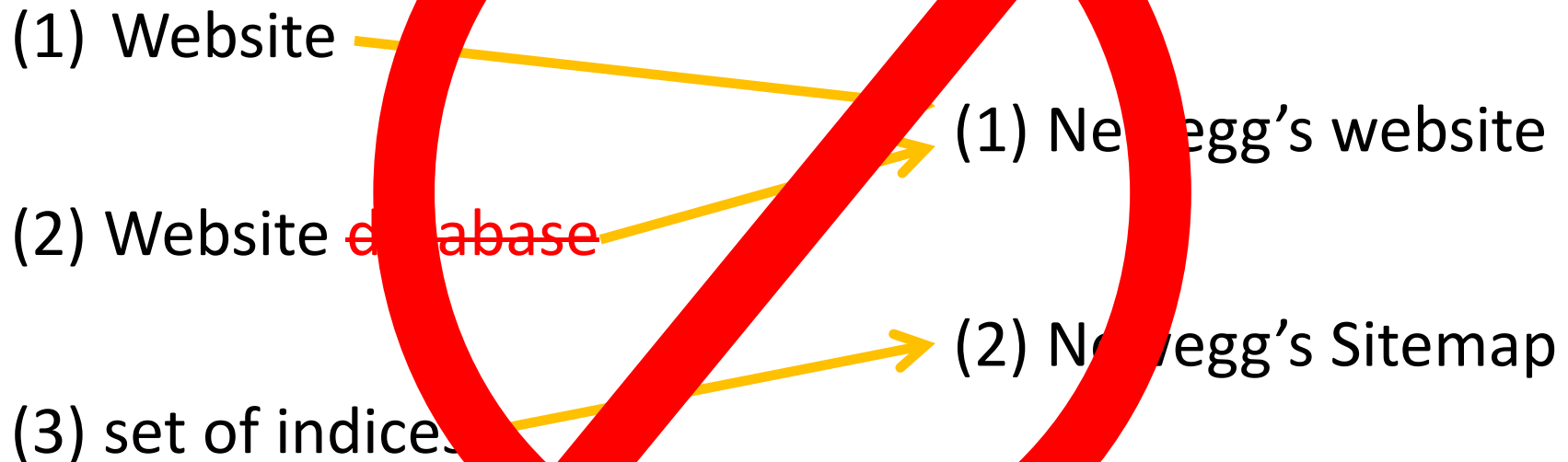
Order at 16

2 MS. LIPSKI: I THINK WE'D RATHER STAY WITH OUR
3 PROPOSED CONSTRUCTION, YOUR HONOR.
4 THE COURT: ALL RIGHT. AND THAT'S YOUR RIGHT, AND SO
5 I'M HAPPY TO MAKE A DECISION ON THIS, BUT LET ME JUST MAKE SURE
6 I DON'T MISUNDERSTAND YOUR POSITION IN ANY WAY.
7 YOU BELIEVE THAT THE EXPLICIT LANGUAGE WHICH
8 DISTINGUISHED -- WELL, YOU BELIEVE THAT THE CLAUSE THAT I
9 PROPOSED, AS MODIFIED BY THE DEFENDANTS, WOULD INTRODUCE ERROR
10 BY SUGGESTING THAT THERE'S A SEPARATE AND DISTINCT REQUIREMENT
11 THAT THERE, IN FACT, IS NOT?
12 MS. LIPSKI: YES, YOUR HONOR.

Markman Tr. at 94:2-12

- Site Update never disputed that its theory was that Newegg's website was the website database (before this Court until now)
- Site Update's new theory:
 - (1) Newegg's Sitemaps was the website database; and thus:
 - (2) the distinction between the website and website database was irrelevant to infringement

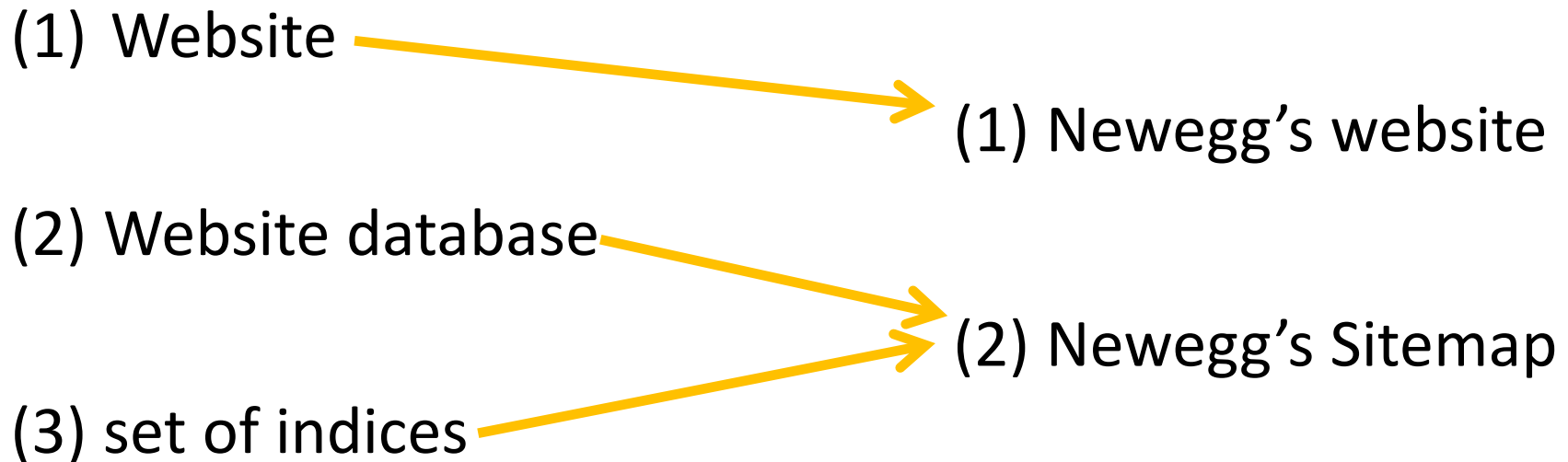
- Site Update's infringement theory:
- Claim Required: Infringement Read:



- Site Update's new theory:

- Claim Required:

Infringement Read:



- Problems with Assertion of the Single Claim:
 - (1) Site Update’s “highly problematic” and “likely... frivolous” Texas MPF constructions
 - (2) Site Update’s “not entirely frivolous” California MPF constructions
 - (3) Site Update’s failure to follow MPF law
 - (4) Site Update’s assertion of single claim with indefinite concerns on four separate terms
 - (5) Court’s recognition that accepting Site Update’s positions would “get [the Court] in trouble”
 - (6) Site Update’s infringement theory of “website database” that was contrary to the intrinsic record
 - (7) Site Update’s settlement pattern that “raised eyebrows”